

Voluntary Green Power Choice Program
Comments from New Jersey Public Interest Research Group
February 18, 2005

NJPIRG firmly believes in the Renewable Energy Task Force's goals to increase the use of clean, renewable energy in the region. New Jersey is almost entirely dependent on coal, gas, and nuclear power to meet our energy needs, and these resources are harming public health, damaging our environment in irreversible ways, and threatening public safety. The best and most effective way to guarantee a cleaner, safer energy future for New Jersey residents is through mandatory requirements on power companies to increase their generation of clean, renewable energy, and so NJPIRG is committed to a renewable portfolio standard of 20% by 2020.

A Voluntary Green Power Choice Program has the ability to give consumers additional opportunities to support clean energy above and beyond the renewable portfolio standard, and for these reasons NJPIRG supports the implementation of a Green Power Choice Program. We have several specific comments to make about the design of New Jersey's program in particular.

1. The BPU should be designing the program to be as effective as possible at building new renewable energy in the region, and giving customers long-term options to support that development so that the market continues to grow in the future. NJPIRG believes that the Voluntary Green Power Choice Program may be needed for a long time, and certainly longer than two years. After all, the shift to 100% clean energy sources will take several decades to complete, and until then we want customers to have the option to buy more or all of their power from clean energy. We have seen a lot of effort go into the creation of this program, and NJPIRG does not want to see this program abandoned after a few years. The program should be designed to exist for at least 10 years.
2. To protect ratepayers and the Clean Energy Program's other programs, before implementation begins the BPU should be setting a limit on the costs recoverable from the utilities. Experience from setting up similar programs in other states (like Connecticut) has shown that \$3 million is a generous amount of money to budget for the recoverable costs from the utilities. The BPU should make clear to the utilities not only what costs will be considered recoverable, and also clearly outline reasonable caps for those costs.
3. There are a few "quality of service" issues that NJPIRG is surprised the utilities have not yet implemented after 5 years of competition in the marketplace. Portability is a reasonable expectation that the utilities should be able to provide at least within their service area, not only for the Green Power Choice Program, but also for electric competition. Portability has been on the utilities' radar screen for at least the last 5 years, and its hard to believe that this would be difficult to

implement, or very costly, since PSE&G already offers portability for their “Worry-Free Service.” A “look-up service” also seems like it should have been implemented years ago for the purposes of retail competition. Not offering these services has already proven to be a stumbling block for electric competition, and the lack of these services will almost certainly hurt the Green Power Choice Program over time. NJPIRG supports the implementation of these services. NJPIRG is not convinced that the funding for these services should come out of the Clean Energy Program, or out of ratepayers’ pockets. After all, partly because the utilities did not provide these services for the last 6 years, competition has largely failed and their electric generation counterparts benefited from this failure.

4. Expectations on the Green Power Marketers should also be clear. NJPIRG agrees that Green Power Marketers should commit to the program for at least two years and they should be required to have a marketing plan.